

State CLOSE-OUT TRANSACTION

Upon completion of sale, the state forest superintendent or forester shall submit the Timber Sale Notice and Cutting Report (Form 2460-1), a copy of the Timber Sale Ledger (Form 2460-6), Timber Sale Close-Out Transaction (Form 2460-4), and Compartment Examination Record (Form 2400-26). Route according to procedure listed below. Upon completion, the final Form 2460-1 will be returned to the field forester. Form 2460-4 directs the Bureau of Finance on handling of a cash performance bond and excess stumpage payment if applicable.

Performance bond will not be applied towards final stumpage payment unless there has been a breach due to failure to comply with payment provisions of the contract. The bond will be refunded or transferred to a new sale only after all contract provisions have been met.

The Timber Sale Close-Out Transaction, Form 2460-4, is a four-ply form used as the final transaction on a timber sale or to direct the disposition of the bid bond. It directs the transactions necessary to disperse a bid bond, cash performance bond and excess stumpage payment so as to result in a zero cash bond and stumpage payment balance for the sale.

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|--------------------|---|
| Preparer | 1. For disposition of the bid bond, routes plies 1, 2 and 3 of Form 2460-4 to the Forest Tax Section. For other actions, route plies 1, 2, and 3 of Form 2460-4, a copy of 2460-1, and a copy of the ledger, to the Forest Tax Section. Files ply 4 in sale file. |
| | 2. Send original Form 2460-1 and updated Form 2400-26 to data entry (if <u>not</u> a bid bond disposition). |
| Forest Tax Section | 3. Reviews and enters into WISMART if bond refund. Routes plies 1 and 3 to Bureau of Finance. |
| | 4. Files ply 2. Returns validated ply 3 to forester. |
| Preparer | 5. Replaces ply 4 with ply 3. |

TIMBER SALE CLOSE-OUT TRANSACTION (FORM 2460-4) GUIDETransaction Number

This will be the final transaction number for the timber sale if it is not for a bid bond disposition.

Action

Check the appropriate box.

Refund Bond

Circle whether it is a performance or bid bond being refunded. Attach a copy of the Letter of Credit if refunding the bid bond.

For blanks that occur in the remainder of this section, use the following codes:

Organization Code (ORGN):

ZZFR – Forestry
 ZZFW – Fish and Wildlife lands; Facilities and Lands
 ZZPR – Parks
 ERXX – Endangered Resources

Suborganization Code (SubOrg): See page 82-3.

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Appropriation Codes (APPR):

100R for organization codes beginning with ZZ

163R for organization codes beginning with ER

Transfer of Funds

The three types of transfers are:

Transfer of Cash Performance Bond as a Bond to a New Sale

Transfer of Cash Performance Bond to Cover Stumpage on Another Sale

Excess Advanced Stumpage Transferred to Another Sale

Transfer of funds from one sale to another is an alteration of the timber sale contract and must be documented. This may be done by using either Form 2400-5E or a letter from the contractor requesting transfer (see sample letter below).

When a transfer is by letter, the contractor must indicate the property and sale number in the request. A copy of the letter must accompany the Close-Out Transaction Form (2460-4) to the Forest Tax Section.

If a transfer is by contract amendment, a copy of the signed Form 2400-5E should accompany the Close-Out Transaction Form (2460-4) to the Forest Tax Section.

SAMPLE LETTER

December 6, 2000

Department of Natural Resources
Northern Highland-American Legion State Forest
4125 CTH M
Boulder Junction, WI 54512

Dear Sir:

Please transfer our Performance Bond of \$9,795.00 from NHAL Timber Sale No. 582-A__

[Compartment 38 Oak] to the account of NHAL Timber Sale No. 579-A [Hawk Lake].

Thank you.

Sincerely,

John T. Logger

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EXAMPLE COVER LETTER FOR INCLUSION WITH FORM LETTER ABOVE:

[NOTE: IT MAY BE PRUDENT TO INCLUDE THIS LETTER WITH THE BOND TRANSFER FORM LETTER AND INCLUDE A SELF-ADDRESSED STAMPED ENVELOPE DUE TO DIFFICULTIES IN GETTING THE BOND FORM TRANSFER LETTER RETURNED.]

January 11, 2001

Subject: Permission to Transfer Bond

Dear Sir:

Enclosed please find a "Transfer of Bond" form letter that we need on file in order to transfer any money from one sale to another. Please read carefully and sign. Keep one copy for your records and send the original back to our office here at Trout Lake. Thank you.

Sincerely,
NORTHERN HIGHLAND-AMERICAN LEGION STATE FOREST

Anne Kriewald, Secretary

Encl